



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 4/27/2001

GAIN Report #BR1613

Brazil

Grain and Feed

Update for May Lockup

2001

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Report Highlights:

Post lowered the 2000/2001 wheat import forecast to 7.7 million tons due to a slowdown in the import pace. The corn export forecast for 2000/2001 was increased to 2 million tons.

Includes PSD changes: Yes
Includes Trade Matrix: No
Unscheduled Report
Brasilia[BR1], BR

Executive Summary [1](#)
WHEAT [1](#)
 Wheat PS&D [1](#)
CORN [2](#)
 Corn PS&D [2](#)
RICE [3](#)
 Rice PS&D [3](#)

Executive Summary

Post revised the wheat import forecast for 2000/2001 downwards to 7.7 million tons, as millers have slowed purchases and have started importing "hand-to-mouth."

Due to the rapid pace of corn exports, post has revised the corn export forecast upwards to 2 million tons. The strengthening of the U.S. dollar relative to the Brazilian currency is boosting Brazilian corn exports. Post reduced stocks for 2000/2001 and 2001/2002 to compensate for the increase in exports.

WHEAT

Post revised the wheat import forecast for 2000/2001 downwards to 7.7 million tons. Millers have slowed purchases due to high prices and a weakening currency. Importers traditionally maintain 50 to 60 days worth of stocks, but are currently importing "hand-to-mouth."

Stocks are expected to drop in order to compensate for lower imports.

Wheat PS&D

PSD Table						
Country	Brazil					
Commodity	Wheat				(1000 HA)(1000 MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		08/1999		08/2000		08/2001
Area Harvested	1185	1252	1350	1444	0	1500
Beginning Stocks	775	846	1150	932	1000	54
Production	2500	2403	1600	1622	0	2600
TOTAL Mkt. Yr. Imports	7555	7733	7900	7700	0	7800
Jul-Jun Imports	7196	7227	7900	7400	0	7700
Jul-Jun Import U.S.	79	150	0	200	0	600
TOTAL SUPPLY	10830	10982	10650	10254	1000	10454
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Jul-Jun Exports	0	0	0	0	0	0
Feed Dom. Consumption	200	200	600	500	0	200
TOTAL Dom. Consumption	9680	10050	9650	10200	0	10400
Ending Stocks	1150	932	1000	54	0	54
TOTAL DISTRIBUTION	10830	10982	10650	10254	0	10454

CORN

Due to the rapid pace of corn exports, post has revised the corn export forecast upwards to 2 million tons for 2000/2001. According to private contacts, Brazil has already exported 1.38 million tons of corn since December. The majority, 863,900 tons, departed from the port of Paranagua in Parana, while 489,140 tons have left from Rio Grande, and 30,000 tons have been exported from Sao Francisco. Some private contacts are forecasting up to 2.5 million tons in exports. The strengthening of the U.S. dollar relative to the Brazilian currency is boosting Brazilian corn exports.

Internal freight rates have escalated more than 50 percent in the last few months, largely due to record corn and soybean crops, and strong exports of both products. The port of Paranagua, the leading soy and corn export port, has been experiencing back-ups of more than 100 kilometers with trucks filled with corn and soybeans. The port has seen a dramatic increase in grain exports in the last year, with exports jumping from 1.8 million tons to 3.5 million tons from January 1 through April 10, 2000 and 2001, respectively.

Post reduced stocks for 2000/2001 and 2001/2002 as a result of the increase in exports.

Corn PS&D

PSD Table						
Country	Brazil					
Commodity	Corn				(1000 HA)(1000 MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		03/2000		03/2001		03/2002
Area Harvested	12500	12490	13500	13570	0	13550
Beginning Stocks	1000	1416	1000	677	3600	641
Production	31600	31641	38500	38000	0	38000
TOTAL Mkt. Yr. Imports	1700	2100	250	200	0	300
Oct-Sep Imports	1789	2000	800	150	0	300
Oct-Sep Import U.S.	43	79	0	50	0	0
TOTAL SUPPLY	34300	35157	39750	38877	3600	38941
TOTAL Mkt. Yr. Exports	150	0	750	2000	0	1200
Oct-Sep Exports	50	0	500	2000	0	1200
Feed Dom. Consumption	28000	29300	30000	32000	0	32500
TOTAL Dom. Consumption	33150	34480	35400	36236	0	36500
Ending Stocks	1000	677	3600	641	0	1241
TOTAL DISTRIBUTION	34300	35157	39750	38877	0	38941

RICE

There are no changes since the previous forecast.

Rice PS&D

PSD Table						
Country	Brazil					
Commodity	Rice, Milled				(1000 HA)(1000 MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		03/2000		03/2001		03/2002
Area Harvested	3650	3678	3550	3338	0	3340
Beginning Stocks	1205	1285	1589	1641	1454	1353
Milled Production	7768	7768	7400	7336	0	7350
Rough Production	11424	11424	10882	10788	0	10809
MILLING RATE (.9999)	6800	6800	6800	6800	0	6800
TOTAL Imports	600	602	490	490	0	500
Jan-Dec Imports	600	700	500	500	0	500
Jan-Dec Import U.S.	0	2	0	2	0	0
TOTAL SUPPLY	9573	9655	9479	9467	1454	9203
TOTAL Exports	25	58	25	156	0	100
Jan-Dec Exports	25	50	25	0	0	100
TOTAL Dom. Consumption	7959	7956	8000	7958	0	7960
Ending Stocks	1589	1641	1454	1353	0	1143
TOTAL DISTRIBUTION	9573	9655	9479	9467	0	9203